

---

---

**IOWA UTILITIES BOARD**  
**Energy Section**

Docket No.: EAC-2011-0007  
(RPU-2010-0001)  
Utility: Interstate Power and Light  
Company (IPL)  
File Date: November 15, 2011  
Memo Date: December 6, 2011

**TO:** The Board

**FROM:** Parveen Baig  
Jim Kellenberg

**SUBJECT:** IPL Regional Transmission Rider – Eighth Transmission  
Information Report

**I. Background/Analysis**

On November 15, 2011, Interstate Power and Light Company (IPL) filed its eighth monthly Transmission Information Report (report). The Board's January 10, 2011 Final Decision and Order, under Docket No. RPU-2010-0001, required IPL to file monthly information if it implemented automatic recovery of transmission costs through a Regional Transmission Service Rider (Rider). The Rider was designed to recover transmission costs billed by MISO and other transmission-related costs. The Board order required that the transmission cost information details should be similar to the information that IPL currently files for the energy adjustment clause (EAC) approvals. Also, to negate the rate impact of the 2009 true-up costs for IPL's customers with the creation of the Rider, the 2009 true-up costs were to be offset with proceeds from the alternative transaction adjustment (ATA) account. The 2009 true-up represents the difference between the revenue received by ITC Midwest based on rates in effect in 2009 and the actual costs incurred by ITC Midwest.

IPL's Rider became effective with customer billings on February 25, 2011. The first report covered the first full month that the Rider was in effect, March 2011, plus the three days in February 2011, when final rates went into effect. Succeeding monthly reports have covered the intervening months. The eighth report covers the month of October 2011.

The bulk of the transmission charges in the report are from MISO<sup>1</sup> although a small amount of charges are from Non-MISO sources such as CIPCO. The MISO charges are broken down by MISO rate schedules. The Non-MISO charges are supported by invoices from the transmission provider.

---

<sup>1</sup> ITC Midwest charges are based on FERC-approved MISO Tariff Schedules.

The revenues are broken down by rate code for each class of customers. Each customer class has a cost recovery factor that is applicable for it. The cost recovery factors were approved under Docket No. TF-2011-0010.

After application of the ATA Refund Account Credit, the report shows net transmission expenses for Iowa for the month of October 2011 of \$13,873,173. Iowa retail revenues for the same time period were \$15,587,664, resulting in an over-recovery of \$1,714,492 for the month of October 2011. The year-to-date over-recovery of transmission expenses is now \$256,889.

IPL is applying the monthly true-up amount as an ATA refund credit which reduces the monthly transmission expense.

Staff believes that the information in IPL's report that was filed on November 15, 2011, is similar to the information in its monthly EAC filing (as required by the Board's order in Docket No. RPU-2010-0001), in that it includes monthly revenues, expenses and the amount of the over- or under-recovery. Since each monthly report lists the year-to-date over/under recovery, the Board is kept informed of the tracker balance. Staff believes that IPL has met the provisions as specified in the Board's Order of January 10, 2011 and recommends that the Board approve the report.

## **II. Recommendation**

Approve IPL's Transmission Information Report for October 2011 in Docket No. EAC-2011-0007, by letter signed by the Energy Section Manager, subject to complaint or investigation.

/jlk